

☐ Individual appearing without attorney
☒ Attorney for: Debtor

CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

Debtor(s).

Location: Zoom Videoconference Auction prior to hearing - see details attached

☐ Private

Last date to file objections: 11/04/2020

Description of property to be sold:

The real property located at 1502 and 1512 West Slauson Avenue, Los Angeles, California 90047-1230

Terms and conditions of sale: The property shall be sold "as is" and "where is" and without any representation or warranty, express or implied; 4% brokers' commission

Proposed sale price: \$ 1,900,000.00

Overbid procedure (if any):

See attached Exhibit A

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

November 18, 2020, at 11:00 a.m.

Under current circumstances related to the COVID-19 pandemic, the hearing shall take place telephonically. For instructions to appear telephonically, contact Judge Kwan's telephonic procedures at:

<https://www.cacb.uscourts.gov/judges/honorable-robert-n-kwan>, and then click on
Telephonic Instructions

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

John-Patrick M. Fritz
Levene, Neale, Bender, Yoo & Brill L.L.P.
10250 Constellation Blvd., Suite 1700
Los Angeles, CA 90067
Tele: 310-229-1234
Direct: 310-229-3395
Fax: 310-229-1244
E-mail: JPF@LNBYB.COM

Date: 10/28/2020

EXHIBIT A

EXHIBIT A
BID PROCEDURES

A. Auction: The Property will be offered at auction on November 16, 2020, commencing at 10:00 a.m. Pacific Standard Time, via Zoom videoconference conducted by Debtor's counsel, Levene, Neale, Bender, Yoo & Brill L.L.P. In the event of a change in the time or location of the Auction, the Debtor will use its reasonable best efforts to notify all Qualifying Bidders who have timely submitted Qualifying Bids by the Auction Deadline (as such terms are defined below).

B. Bidding Process: The Debtor shall consider qualified bids for the Property ("Qualifying Bids") at the Auction, but shall not consider proposed bids that are not Qualifying Bids. In order for a proposed bid to be deemed a Qualifying Bid, a proposed bid must meet each of the criteria set forth in the following subparagraphs 1 through 3:

1. Timing. Bids are due and must actually be received by the Debtor no later than 2:00 p.m. Pacific Standard Time November 13, 2020 (the "Bid Deadline"). Bids shall be submitted in writing by email to: (i) Debtor's counsel, attention J.P. Fritz, JPF@LNBYB.COM; and (ii) Debtor's real estate broker, attention Kory Jackson, koryjackson@gmail.com.

2. Form and content of bid and related requirements: Each potential bidder (a "Potential Bidder") must deliver to the Debtor the following: (i) an executed asset purchase agreement in substantially the same form as the PSA attached as Exhibit "1" to the Motion (the "Form PSA"); (ii) a deposit in an amount equal to \$110,000 (calculated as the Buyer's earnest money of \$60,000 plus the initial overbid of \$50,000, to be submitted to the Debtor's counsels' escrow account in the form of wired funds; (iii) financial statements showing that the Potential Bidder has ample and present ability to fulfill its obligations pursuant to the Form PSA; (iv) assigned statement acknowledging that the sale of the Property is as-is, where-

is, with no due diligence contingencies or financing contingencies of any kind whatsoever; and
(v) a signed statement acknowledging the prohibition against collusive bidding.

A “Bid” is an asset purchase agreement in substantially the same form as the Form PSA from a Potential Bidder stating that: (i) the Potential Bidder offers to purchase the Property upon the same or better terms and conditions as set forth in the Form PSA, clearly marked to show any and all amendments and modification to the Form PSA, including, but not limited to, purchase price and contact information of the Potential Bidder; (ii) the Potential Bidder agrees to purchase the Property for at least the Minimum Bid Amount; (iii) the Potential Bidder is prepared to enter into and consummate the transaction by the Closing Date; and (iv) the offer is irrevocable until the later of (a) the Auction has taken place and it is not selected as either the Successful Bidder or Back-Up Bidder, in which case the Deposit will be refunded unless otherwise forfeited as a result of a breach, or (b) a sale of the Property has been consummated to another Successful Bidder or Back-Up Bidder.

3. Qualified Bidder: A “Qualified Bidder” is a Potential Bidder that submits a Qualified Bid and, in the Debtor’s reasonable discretion, is determined to have demonstrated the financial capability to consummate the purchase of the Property.

C. Qualification and Disqualification of Bids: If the Debtor determines that a Potential Bidder is not a Qualified Bidder, the Debtor will return the Deposit to the Potential Bidder within a period of seven (7) business days of such determination.

D. Auction If Qualifying Bids: If the Debtor determines that there is one or more Qualifying Bids, the Debtor shall hold an Auction. The minimum bid shall be at least \$1,950,000 (the “Minimum Bid Amount”). Subsequent minimum overbids must be in amounts of at least \$50,000.

1. Assuming Qualified Bidders have submitted Qualifying Bids, upon receipt of the highest bid with no further bidding, the Auction will be closed. No final bid will be accepted until the entire Auction is complete.

2. At the Auction, bidding will begin at the applicable Minimum Bid Amount or such higher amount that a Qualified Bidder may bid prior to the Auction. All subsequent offers must exceed such amount by not less than \$50,000. Qualified Bidders may bid in increments higher than \$50,000. Bidding at the Auction shall continue until such time as the highest and best bid is determined.

3. The Auction will be conducted as follows: (i) Qualified Bidders and/or their representatives may make a bid at the Auction live via Zoom with bidding starting at the amount of the Minimum Bid Amount or the highest Qualifying Bid received; (ii) a certified shorthand reporter shall be present to create a record of the Auction, or the Auction will be recorded using a video-conference function, or both; (iii) the Auction will be an open bid process, with all bids stated orally and on the record; (iv) the Debtor may recess the Auction at any time; and (v) Qualified Bidders may ask for a reasonable time for a recess during the bidding, which requests the Debtor may grant in its discretion.

E. Selection of Winning Bid: Upon completion of the Auction, the Debtor, in its discretion, shall select the Qualifying Bid that will maximize the value of the Property, and is in the best interest of the Debtor, its bankruptcy estate and its creditors (the “Successful Bid”). The Debtor will then submit the Successful Bid for approval by the Bankruptcy Court. The Deposit for a Qualified Bidder that submitted the Successful Bid will be non-refundable upon the conclusion of the Auction. Upon the failure to consummate a sale because of a breach or failure on the part of a Qualified Bidder who submitted the Successful Bid, the Debtor may select in its business judgment the next highest or otherwise best Qualified Bidder to be the Successful Bidder as approved in a final sale order, without further order of the Bankruptcy Court.

F. Back-up Bidders: At the conclusion of the Auction, the Debtor may designate a “Back-up Bidder” or multiple Back-up Bidders. If a Back-up Bidder is selected, such Back-up Bidder’s Deposit shall be released upon the later to occur of (a) the closing of a transaction with the Successful Bidder, or other Back-up Bidder; or (b) thirty (30) days after

the entry of a final sale order. If the Successful Bidder does not close the transaction, then the Back-up Bidder's Deposit shall be non-refundable and the Debtor shall close the transaction upon the terms of the Back-up Bidder's last and highest bid at the Auction.

G. Closing: The closing of a sale of the Property to the Successful Bidder (the "Closing") shall be held in the office of counsel for the Debtor, or such other location as is agreed to by the parties, no later than fifteen (15) days following the final sale order becoming final and no longer appealable.

PROOF OF SERVICE OF DOCUMENT

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I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled: **NOTICE OF SALE OF ESTATE PROPERTY** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **October 28, 2020**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL: On **October 28, 2020**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

<u>Served via First Class Mail</u>	Lester Norris & Ruth D. Norris	Interstate Trust Deed Service Inc.
Hon. Robert N. Kwan	7842 S. Denker Ave.	FBO Lester Norris & Ruth D. Norris
United States Bankruptcy Court	Los Angeles, CA 90047	17782 E. 17th St., Suite 105
Edward R. Roybal Federal Building		Tustin, CA 92680
255 E. Temple Street, Suite 1682		
Los Angeles, CA 90012		

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **October 28, 2020**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

October 28, 2020	Jason Klassi	/s/ Jason Klassi
<i>Date</i>	<i>Type Name</i>	<i>Signature</i>

2:18-bk-10290-RK Notice will be electronically mailed to:

Garrett M Fahy on behalf of Creditor Acon Development, Inc.
gfahy@grsm.com, rgbrown@grsm.com

John-Patrick M Fritz on behalf of Attorney Levene, Neale, Bender, Yoo & Brill L.L.P.
jpf@lnbyb.com, JPF.LNBYB@ecf.inforuptcy.com

John-Patrick M Fritz on behalf of Cross Defendant People Who Care Youth Center, Inc.
jpf@lnbyb.com, JPF.LNBYB@ecf.inforuptcy.com

John-Patrick M Fritz on behalf of Debtor People Who Care Youth Center, Inc.
jpf@lnbyb.com, JPF.LNBYB@ecf.inforuptcy.com

John-Patrick M Fritz on behalf of Plaintiff People Who Care Youth Center, Inc.
jpf@lnbyb.com, JPF.LNBYB@ecf.inforuptcy.com

David B Golubchik on behalf of Debtor People Who Care Youth Center, Inc.
dbg@lnbyb.com, stephanie@lnbyb.com

David B Golubchik on behalf of Plaintiff People Who Care Youth Center, Inc.
dbg@lnbyb.com, stephanie@lnbyb.com

Craig J Mariam on behalf of Creditor Acon Development, Inc.
cmariam@gordonrees.com, jfarrar@gordonrees.com;fansary@grsm.com

Mitchell E Rishe on behalf of Creditor California Department of Parks and Recreation
mitchell.rishe@doj.ca.gov

United States Trustee (LA)
ustpreion16.la.ecf@usdoj.gov

Hatty K Yip on behalf of U.S. Trustee United States Trustee (LA)
hatty.yip@usdoj.gov, hatty.k.yip@usdoj.gov

Label Matrix for local noticing
0973-2

Case 2:18-bk-10290-RK
Central District of California
Los Angeles
Wed Oct 28 13:09:38 PDT 2020

People Who Care Youth Center, Inc.
1500 W. Slauson Ave
Los Angeles, CA 90047-1230

AMMEC AND COMPANY INC
4118 EAST 1ST STREET
LOS ANGELES, CA 90063

City of Los Angeles
Office of Finance
File 57063
Los Angeles, CA 90074-7063

Dept of Parks and Recreation
PO Box 942896
Sacramento, CA 94296-0001

Franchise Tax Board
Special Procedures - Insolvency
P.O. Box 2952
Sacramento, CA 95812-2952

Greta Curtis
PO Box 19893
Los Angeles, CA 90019-0893

LADWP
P O BOX 515407
LOS ANGELES, CA 90051-6707

Pitney Bowes
1313 North Atlantic Ste 301
Spokane, WA 99201-2303

United States Trustee (LA)
915 Wilshire Blvd, Suite 1850
Los Angeles, CA 90017-3560

California Department of Parks and Recreation
c/o California Department of Justice
Office of the Attorney General
300 South Spring Street, Suite 1702
Los Angeles, CA 90013-1256

Los Angeles Division
255 East Temple Street,
Los Angeles, CA 90012-3332

Acon Development, Inc.
633 West 5th Street 52nd Floor
Los Angeles, CA 90071-2005

DWP
111 N. Hope St.
Los Angeles, CA 90012-2607

Employment Development Department
Bankruptcy Group MIC 92E, PO BOX 826880
Sacramento, CA 95814

GS Fire Technology, Inc.
12896 Portola St.
Victorville, CA 92392-5462

Groth Link
P.O Box 14867
Las Vegas, NV 89114-4867

(p)LOS ANGELES COUNTY TREASURER AND TAX COLLE
ATTN BANKRUPTCY UNIT
PO BOX 54110
LOS ANGELES CA 90054-0110

Republic Services
12949 Telegraph Rd
Santa Fe Springs, CA 90670-4049

William Tanner
1913 E 17th St Ste 212
Santa Ana, CA 92705-8627

111 N La Brea Ave Ste 300
Inglewood, CA 90301-4603

ACON DEVELOPMENT INC
GORDON & REES LLP
JASON SUH ESQ
633 WEST 5TH STH STREET 52ND FLOOR
LOS ANGELES, CA 90071

California Department of Parks and Recreation
c/o Office of the Attorney General
Attn: Mitchell Rishe, Deputy AG
300 S. Spring St., Suite 1702
Los Angeles, CA 90013-1256

Department of Water and Power
City of Los Angeles
Attn Bankruptcy
PO Box 51111
Los Angeles CA 90051-5700

Employment Development Dept.
Bankruptcy Group MIC 92E
P.O. Box 826880
Sacramento, CA 94280-0001

Gordon & Rees, LLP attn: Jason Suh
633 West 5th St., 52nd Floor
Los Angeles, CA 90071-2005

(p)INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATIONS
PO BOX 7346
PHILADELPHIA PA 19101-7346

Pacific Bell Telephone Company
% AT&T Services, Inc
Karen A. Cavagnaro - Lead Paralegal
One AT&T Way, Room 3A104
Bedminster, NJ 07921-2693

Time Warner
PO Box 60074
City of Industry, CA 91716-0074

David B Golubchik
Levene Neale Bender Yoo & Brill LLP
10250 Constellation Blvd Ste 1700
Los Angeles, CA 90067-6253

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Internal Revenue Service	LOS ANGELES COUNTY TREASURER AND TAX COLLECT
Insolvency I Stop 5022	PO BOX 54110
300 North Los Angeles St., Rm. 4062	LOS ANGELES CA 90054-0110
Los Angeles, CA 90012	

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)Acon Development, Inc.	(u)Ammec Inc.	(u)Keller Williams- Pacific Playa
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(u)Levene, Neale, Bender, Yoo & Brill L.L.P.	(u)Unchained Financial Services, Inc.	(d)Ammec and Company, Inc. 4118 East 1st Street Los Angeles, CA 90063
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(d)Greta Curtis	End of Label Matrix	
PO Box 19893	Mailable recipients	31
Los Angeles, CA 90019-0893	Bypassed recipients	7
	Total	38